



property
market report
SEPTEMBER 2024

UMDLOTI & UMHLANGA, KWAZULU-NATAL (KZN)

 **rainmaker**
MARKETING



in this report

THE UMDLOTI TOWN AND GREATER UMHLANGA ARE POCKETS OF EXCELLENCE IN KZN, SOUTH AFRICA. THIS REPORT TAKES A CLOSER LOOK AT THESE TWO REGIONS WHICH ARE SITUATED NORTH OF DURBAN.

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Umhlanga has held its own as one of the best neighbourhoods across South Africa over the years and has set the standard for price per square metre in KZN's sectional title space. The Sibaya Coastal Precinct is a catalytic mixed-use precinct, and has witnessed its success to the point where it was named as one of the top five affluent suburbs within South Africa in 2024, according to Lightstone data.



STEFAN BOTHA DIRECTOR



Our research provides context into KZN, while we delve into how Greater Umhlanga, Umdloti and Sibaya have performed. KZN contributes approximately 16% to SA's GDP, making it the second largest contributor after Gauteng (34%) and just ahead of the Western Cape (14%).

The eThekweni Municipality (EM) is home to ±3.5 million people and is the province's largest metro and economic driver. It has been forecast that over the next 8 years, the municipality will experience a 9% increase in total population from 4.123 million (2024) to 4.481 million by 2032. The North is expected to see 40% of that distribution.

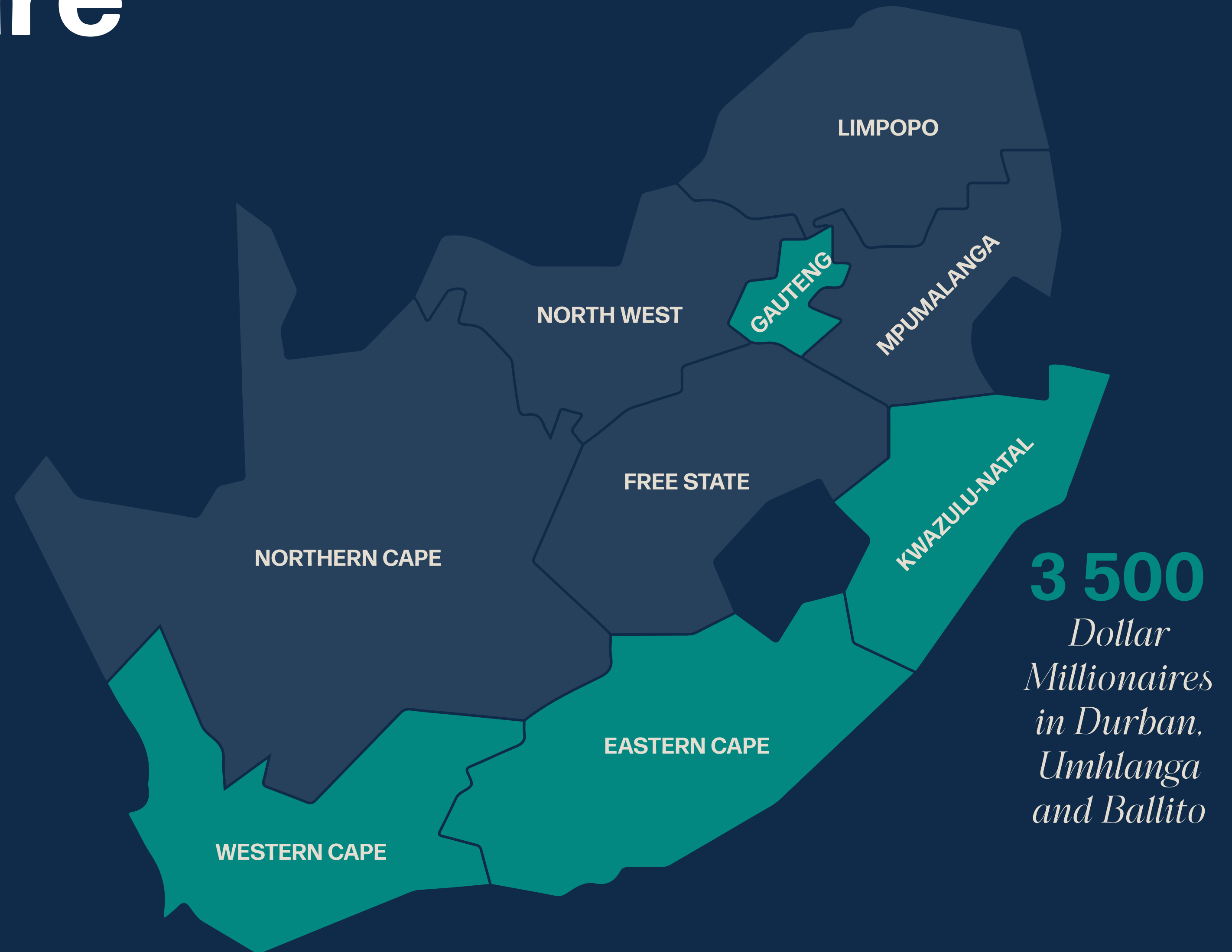


BRENDA PADAYACHEE HEAD OF MARKET RESEARCH

Dollar Millionaire *semigration in SA*

SA is home to the **highest Dollar Millionaires (37 400) in Africa**, with many choosing to reside within the country's most exclusive estates.

- Johannesburg (JHB): 12 300 Dollar Millionaires
(Highest amount in a city in Africa)
- Cape Town (CPT): 7 400 Dollar Millionaires
- Cape Winelands: 3 600 Dollar Millionaires
- **Durban, Umhlanga and Ballito: 3 500 Dollar Millionaires**
- The Garden Route: 3 200 Dollar Millionaires
- Pretoria: 2 100 Dollar Millionaires



Source: Knight Frank report

strategic *development*

We are already seeing strategic development projects stimulating economic growth, such as the Aerotropolis North Corridor, the M4 and Umhlanga North Corridor, the Inner-city Central Corridor, the N3 West Corridor and N2 South Corridor.

DURBAN AEROTROPOLIS

Centered around King Shaka International Airport (KSIA), the Aerotropolis enables swift **connections between suppliers, consumers, and industry stakeholders**. The Durban Aerotropolis includes several key components, with the **Dube TradePort (DTP)** and **KSIA** being the most significant.

- The **DTP** has received a total of **R4.6Bn** in private sector investment. It comprises of Dube TradeZone 1 and 2, Dube Cargo Terminal, Dube AgriZone and Dube iConnect
- **KSIA** is the **third busiest** air hub in SA, providing extensive passenger and cargo flight connections. It serves as a gateway to international markets and facilitates tourism and business travel. Airports Company South Africa (ACSA) plans include the development of a hotel with terminal expansion expected in 2026/27



KSIA PASSENGER STATISTICS

	2021/22	2023/24
International	60 273	274 882 (+356%)
Domestic	3 147 204	4 706 511 (+50%)

In 2023/2024 there was a **356% increase** in international travellers rising from 60 273 in 2021/22 to 274 882 in 2023/24.

In 2023/2024 there was a **50% increase** in domestic arrivals rising from 3 147 204 in 2021/22 to 4 706 511 in 2023/24.

building plans activity

Statistics SA shares insights into the selected building activities of the private sector in KZN, as reported by local government institutions. This reveals that the building plans passed are the third highest in the country with the total value of building plans passed increasing by 20% between Jan and May in 2024 vs the same period in 2023. In KZN, plans passed for residential building increased by 53% from R1.981Bn (Jan - May 2023) to R3.029Bn (Jan - May 2024), showing an increased level of positive sentiment within the residential sector. The ratio of approved to completed has dropped from 67% in 2023 to 47% in 2024, indicating a decreased infrastructure spend influenced by multiple economic, environmental and political factors historically.

January - May 2023

Building plans passed at current prices by total value: R4.9Bn

By type of building:

- Residential buildings: R1.981Bn
- Non-residential buildings: R1.243Bn
- Additions and alterations: R1.674Bn

Buildings completed at current prices by total value: R3.3Bn

By type of building:

- Residential buildings: R1.829Bn
- Non-residential buildings: R809M
- Additions and alterations: R660M

January - May 2024

Building plans passed at current prices by total value: R5.9Bn

By type of building:

- Residential buildings: R3.029Bn (53% Increase)
- Non-residential buildings: R1.098Bn
- Additions and alterations: R1.770Bn (6% Increase)

Buildings completed at current prices by total value: R2.8Bn

By type of building:

- Residential buildings: R1.149Bn
- Non-residential buildings: R1.028Bn (27% Increase)
- Additions and alterations: R664M (0.7% Increase)

Source: Stats SA



stock growth *in Northern areas*

Residential property prices in eThekweni Municipality (EM) reflect the **ongoing migration of wealthier buyers along the Northern metros**. Areas such as Umhlanga, Mount Edgecombe, Umdloti and Tongaat, **recorded the highest stock growth in the metro** over the 10-year period between 2012 - 2022, with the same trend filtering through 2023 and 2024.

There were 3 700 new units in Umhlanga and 1 300 in Umdloti.

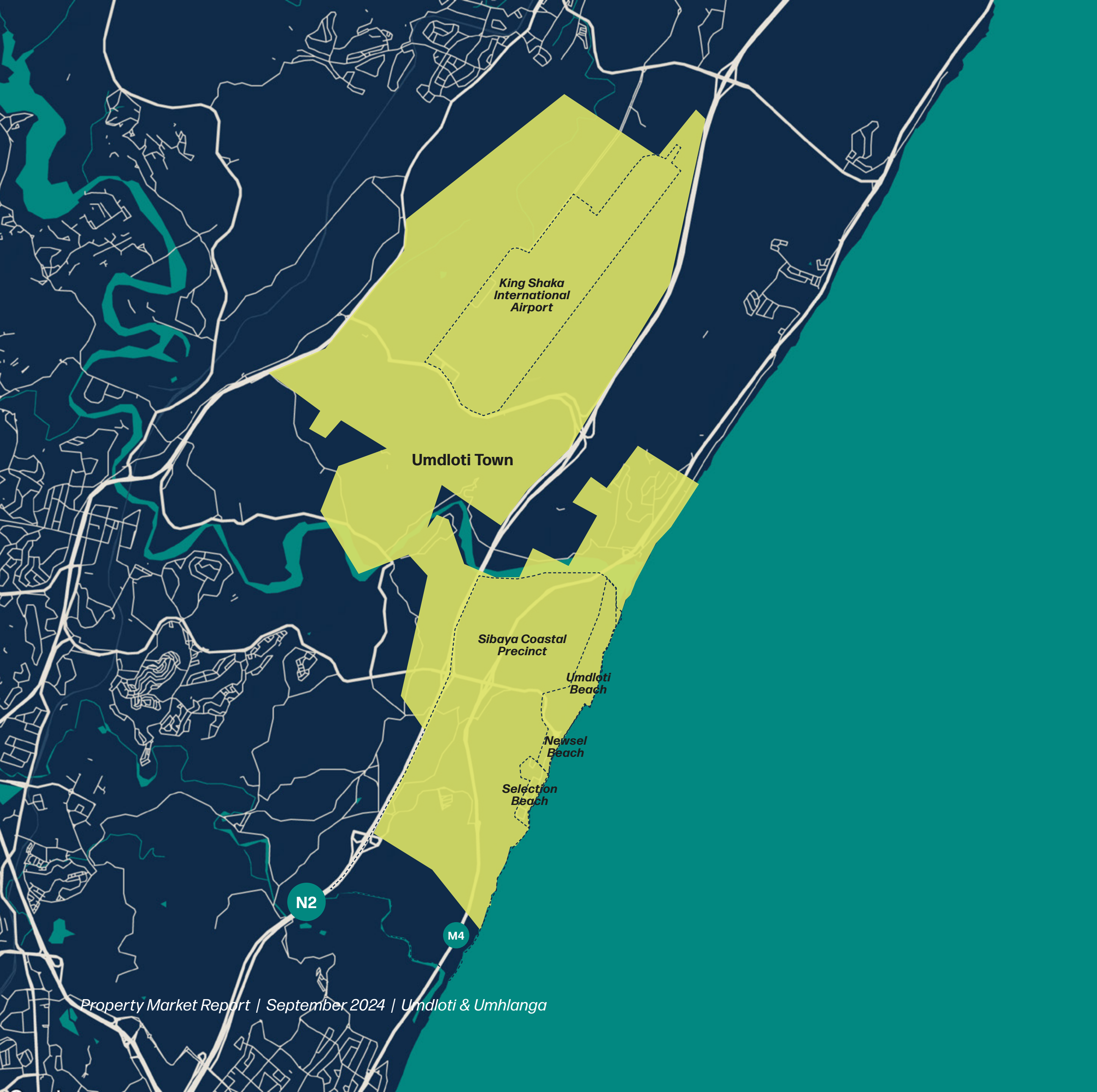
- The suburbs contributing to the Umhlanga stock include *Umhlanga Ridge New Town Centre (URNTC), Umhlanga Rocks, Umhlanga Ridgeside, Izinga, and La Lucia.
 - **Umhlanga gained 20% more stock** over the 10-year period.
 - For the period, July 2023 - June 2024, the sales in Umhlanga Town were valued at **R2.9Bn**, with an av. price of **R2.9M per sale**.
- The suburb contributing to the Umdloti stock is **Sibaya Coastal Precinct**, which gained one third of its stock in 2022.
 - This includes a mix of residential, commercial, and retail components
 - For the period, July 2023 - June 2024, the sales in Umdloti Town were valued at **R1.4Bn**, with an av. price of **R3.4M per sale**.



Umdloti

Town overview





Umdlotti is a small coastal town, offering residential options along the beach, natural beauty and a close-knit community.

An analysis of the Umdlotti Town was done based on the **Sibaya Coastal Precinct** falling within this area. Other suburbs that are within Umdlotti includes King Shaka International Airport, La Mercy, Mount Moreland, **Newsel Beach, Selection Beach, Umdlotti, and Umdlotti Beach.**

This town has experienced a **101% increase in its adult population**, from 3 500 in 2011 to 7 035 in June 2024.

Umdlotti Smart Village initiative - Non-profit organisation

- Manages urban development, security measures, maintenance of area and provides community support
- Works with private and public sectors



Umdloti Town

MONTHLY HOUSEHOLD INCOME:

Characterised by an LSM of 9 Low

- Average household income ranges from R36 000 to R48 000
- 34% are categorised as middle-income
- 33% of households estimated to fall into the high-income bracket
- 16% of households fall within the wealthy segment

TOTAL MARKET STOCK:

The total market stock comprises 4 506 units

- 418 sectional title units in estates (9%)
- **2 612 sectional title units (59%)**
- 921 freeholds (20%)
- 555 freeholds (12%)

RECENT BUYER DEMOGRAPHICS:

From July 2023 to June 2024:

10%

were aged 18-35

36%

were aged 36-49

38%

were aged 50-64

16%

were aged 65 and above

An aerial photograph of the Sibaya Coastal Precinct. The image shows a vast expanse of green, rolling hills and fields, likely agricultural land. A network of roads and paths crisscrosses the landscape. In the foreground, a coastal town with buildings and a beach is visible, bordering the ocean. The water is a deep blue, and white waves are breaking along the shore. The overall scene is a mix of natural beauty and developed infrastructure.

Sibaya Coastal Precinct

suburb overview



The Sibaya Coastal Precinct was established in 2016, with the launch of OceanDune and Pebble Beach. This suburb has easy access to the N2 and M4 highways. With 60% of the precinct to remain undeveloped green corridors, there is **1000Ha of residential and commercial spaces** running between the natural landscape.

Managed by the Sibaya Precinct Master Management Association (SPMMA) - Non-profit company

- Governed by its Memorandum of Incorporation (MOI) and managed by a board of non-executive, non-remunerated directors nominated by the Sibaya Sub-associations
- Collaborates with the public and private sectors to maintain the precinct

FACTORS UNDERPINNING SIBAYA'S PROPERTY MARKET



Sold 419 homes

TOTALLING R1.72BN

(2023), marking its rising prominence and desirability.

Placed among the

TOP SUBURBS

for homes valued over R1M by Lightstone.

The top 5 list included: Bryanston (GP), Sea Point (WC), Midstream Estate (GP), Sibaya Coastal Precinct (KZN), Sunningdale (WC).

Research indicates that High Net Worth Individuals are choosing

LUXURY COASTAL

destinations over long-standing established suburbs.

The value of South Africa's residential property market stood at just over R6.8 trillion as of February 2024. Of that, secure estates contribute 18.1% to the

OVERALL VALUE.

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Property Market Report | September 2024 | Umdloti & Umhlanga



Sibaya Coastal Precinct | 13

Umhlanga

Town overview





Umhlanga is positioned on the East Coast, North of Durban, enjoying ease of access to the N2, M4 and King Shaka International Airport. Umhlanga is known for its upscale residential properties and hotel accommodation, with property market remaining resilient between the **R2.5M to R5M and R10M - R30M**.

Umhlanga is made up of the following suburbs:

Hawaan Forest Estate, Herrwood Park, Izinga, La Lucia, La Lucia Ridge, Prestondale, Somerset Park, Sunningdale, *Umhlanga Ridge New Town Centre, Umhlanga Ridgeside, Umhlanga Rocks. We have provided an analysis of the key suburbs that have experienced growth in new developments over the last few years.

Business activity has grown with significant commercial development, modern amenities and healthcare facilities including **Netcare Umhlanga Hospital and Busamed Gateway Private Hospital**. Umhlanga has experienced a total **adult population increase of 57% from 18 663 (2011) to 29 571 (June 2024)**.

Managed by the Umhlanga Urban Improvement Precinct (UIP)

- Established by Umhlanga Rocks property owners
- Established private sector and municipal partnerships while delivering privately funded security, cleaning, maintenance, greening and marketing services
- Funded by the monthly Special Ratings Area (SRA) levy paid by all property owners

**The Deeds Office refers to Umhlanga Ridge New Town Centre (URNTC), however for the purpose of this report we refer to Umhlanga Ridge Town Centre (URTC).*

Umhlanga *Town*

MONTHLY HOUSEHOLD INCOME:

Characterised by an LSM of 10 High

- Average household income ranging from **R124 000 to R156 000**
- 47% of households are classified as wealthy
- 27% as super wealthy
- 26% as high income

TOTAL MARKET STOCK:

The total market stock comprises 16 078 units

- 1 056 sectional title units in estates (7%)
- **10 636 sectional title units (66%)**
- 3 612 freeholds (15%)
- 774 freeholds in estates (12%)

RECENT BUYER DEMOGRAPHICS:

From July 2023 to June 2024:

22%

were aged
18-35

40%

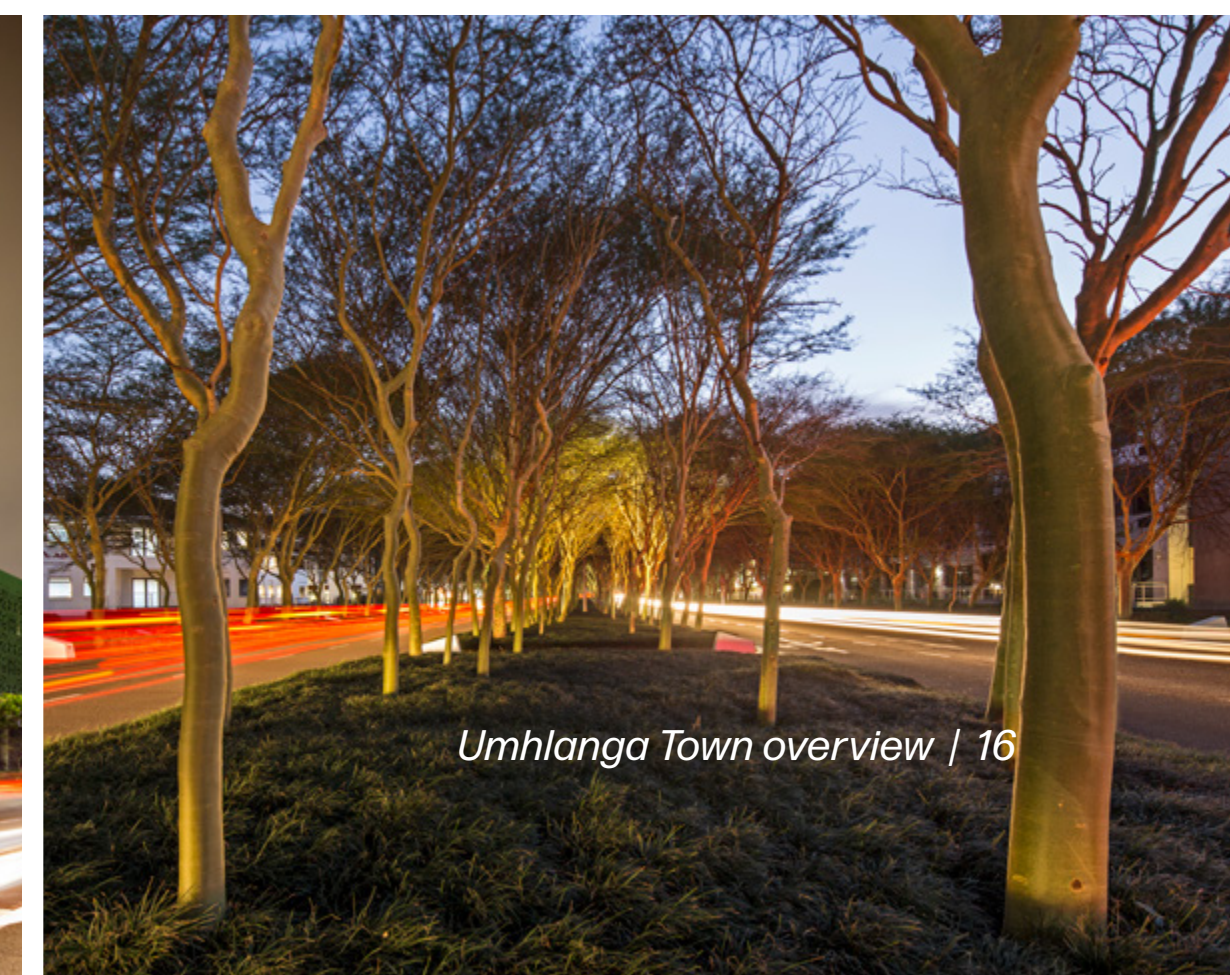
were aged
36-49

29%

were aged
50-64

9%

were aged 65
and above



Greater Umhlanga

suburbs overview





Umhlanga Rocks

- Known for its beautiful beaches, luxurious hotels, numerous restaurants, cafes, and retail offerings (The Pearls & Oceans Malls)
- Home to landmarks like Umhlanga Lighthouse and Pier
- Residential developments including the **Pearls of Umhlanga, with price p/m² reaching up to R71 351p/m² (as at June 2024)**

Umhlanga Ridgeside

- Offers a mix of commercial and residential spaces with a contemporary urban lifestyle
- Home to several **office buildings and regional corporate headquarters including ABSA, RMB Private Bank, Investec and KPMG**, to name a few
- Modern high-rise buildings and extensive infrastructure including **Umhlanga Arch with price p/m² reaching R46 825p/m² as at June 2024**

*Umhlanga Ridge Town Centre (URTC)

- Identified as modern, sustainable design with pedestrian-friendly streets and green spaces
- Various apartments cater to different budgets and lifestyles, as well as a **variety of businesses, including retail, offices, and service industries**
 - Home to landmark **Gateway Theatre of Shopping** that is undergoing a **multi-million-rand upgrade**
 - Since 2001, Gateway has grown from **118 000m² to 176 000m²**, from 117 tenants **to 380 retailers**

**The Deeds Office refers to Umhlanga Ridge New Town Centre (URNTC), however for the purpose of this report we refer to Umhlanga Ridge Town Centre (URTC).*

unpacking these *key areas*

Upon providing context into Umdloti and Umhlanga towns, we will be zoning specifically into the key suburbs within these greater coastal areas. These include Sibaya Coastal Precinct, Umhlanga Ridge Town Centre, Umhlanga Rocks and Umhlanga Ridgeside. These regions have seen growth in adult population, average household monthly income, recent buyer activities and sales volumes.



adult population growth

There are approx. 75* adults moving into these combined areas, this equates to approximately 30** families per month.

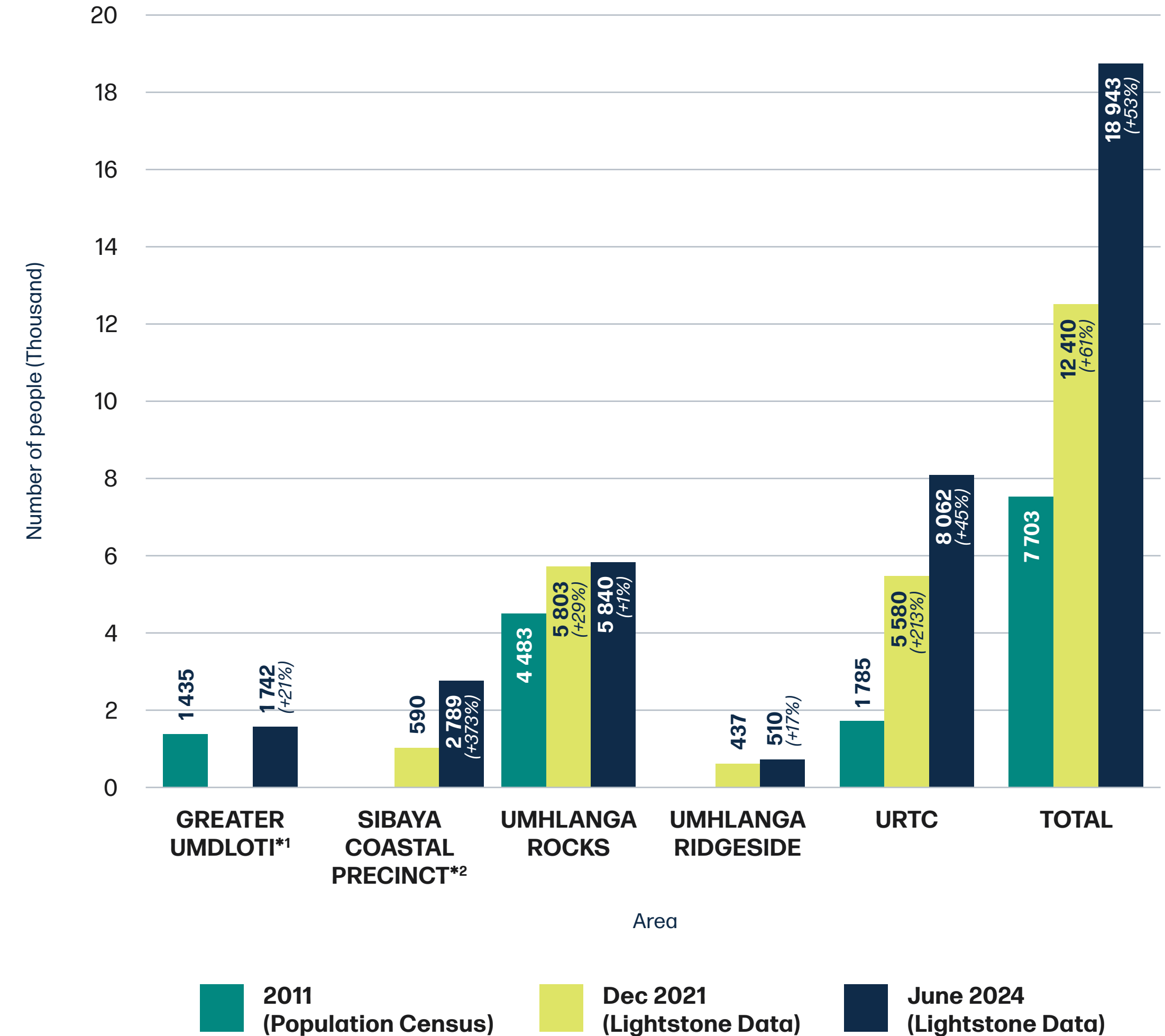
Breakdown:

- Since Dec 2021, Sibaya Coastal Precinct has seen an increase of 71* adults per month, which equates to 28** families
- Umhlanga Rocks: 9* adults per month, which equates to 4** families
- URTC: 42* adults per month, which equates to 17** families

Note:

*Total increase divided by 150 months

**Based on a ratio of 2.5

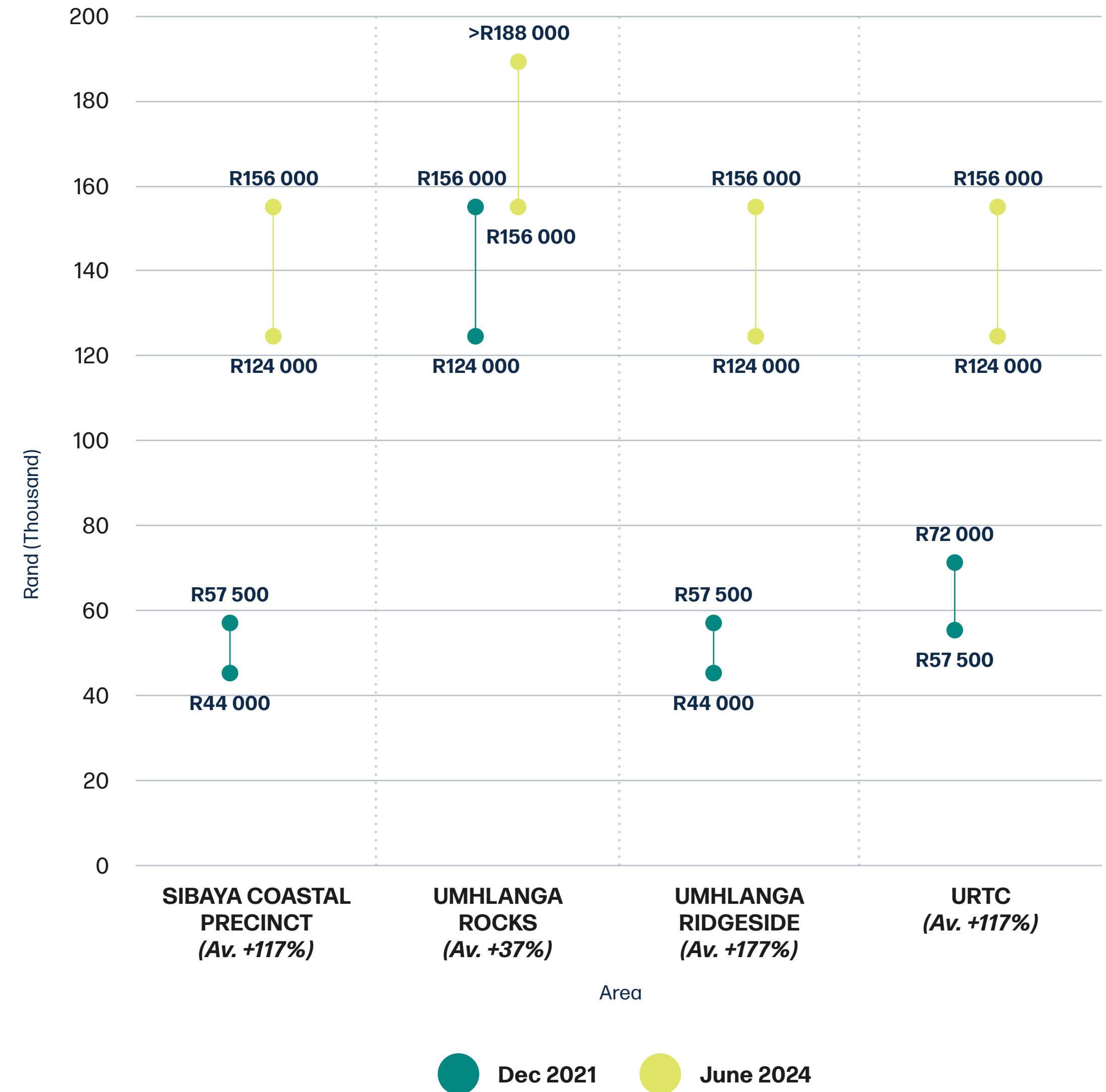


1. Greater Umdloti includes Newsel Beach, Selection Beach and Umdloti Beach

2. Sibaya Coastal Precinct includes Hillhead, which is the suburb that comprises OceanDune and Pebble Beach sales

average monthly household income

The increase in average household income indicates consistent improvement in living standards and **wealthy individuals moving into these areas**. Since Dec 2021, household income within **Sibaya Coastal Precinct and Umhlanga Ridgeside** have both **increased by an average of 177% each**, with URTC achieving an average **increase of 117%**. Umhlanga Rocks has seen lower growth of 37%, this is based off the fact that Umhlanga Rocks is already an established suburb.



recent *buyer activity*

Greater Umdloti

Predominance of 36 - 49 (37%) and 50 - 64 years (38%), comprising mature families, empty nesters and active retirees.

Sibaya Coastal Precinct

Predominance of 36 - 49 years (40%), comprising young and mature families.

Umhlanga Rocks

Predominance of 50 - 64 years (36%), comprising empty nesters and active retirees. Closely followed by 36 - 49 years (31%), showing that the area also attracts families and mature professionals.

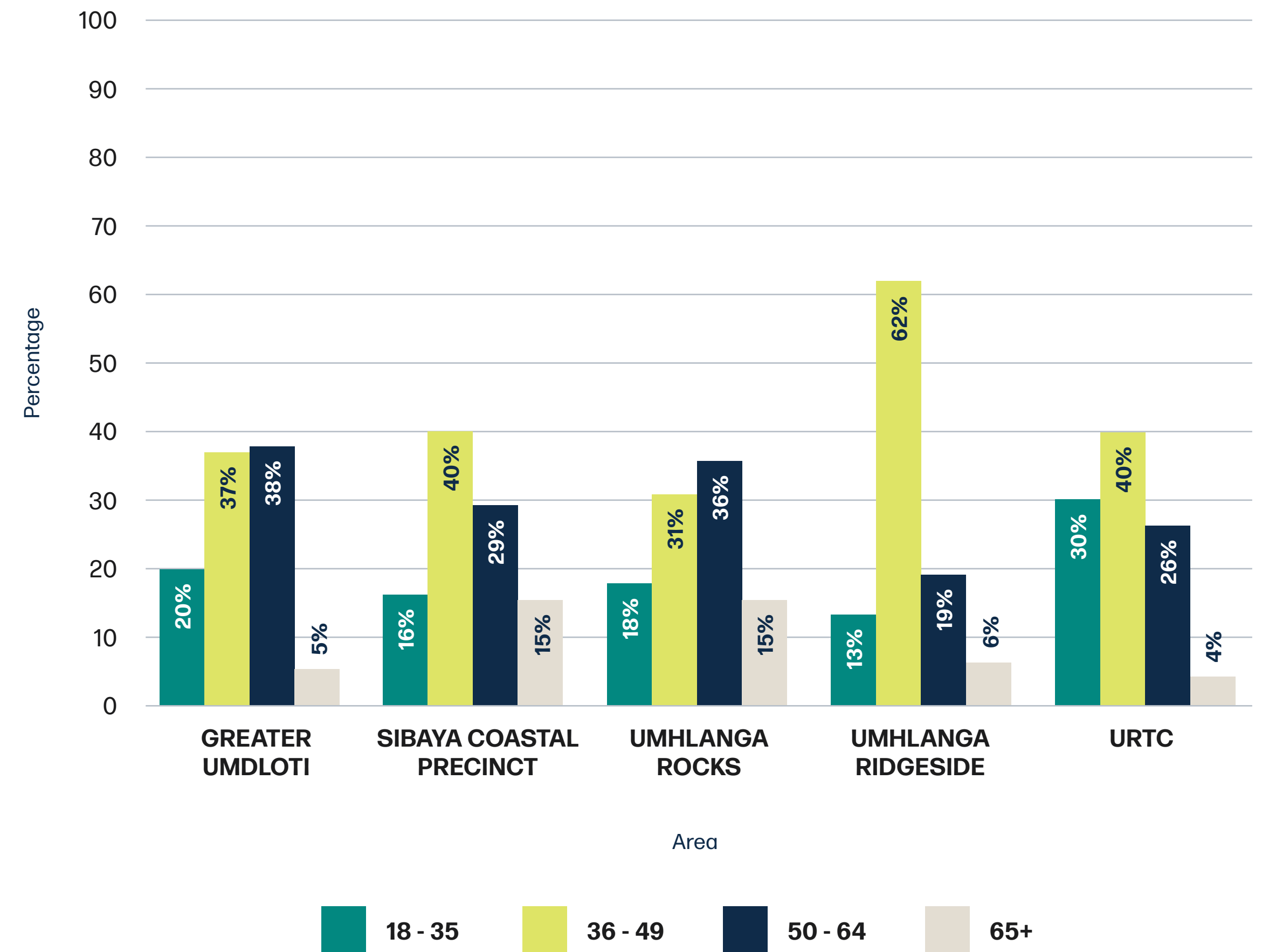
Umhlanga Ridgeside

Predominance of 36 - 49 years (62%), comprising young and experienced professionals.

URTC

Predominance of 36 - 49 years (40%) and those below 35 years (30%), indicating an increase of starter couples, families and professionals.

JULY 2023 - JUNE 2024



location *of buyers*

Sibaya Coastal Precinct

- People *showing interest in moving to Sibaya Coastal Precinct are from **GP (26%), Umdloti (16%), Greater Durban (15%), Umhlanga (12%), Ballito and Salt Rock (9%)**
- Those **moving into the area include **KZN (62%), and GP (34%)**.

Umhlanga Rocks

- People *showing interest in moving to Umhlanga Rocks include **GP (27%), Umhlanga (25%), Mt. Edgecombe, Phoenix and Verulam (20%), Greater Durban (15%) and Inner West from Westville, Pinetown and Queensburgh (8%)**
- Those **moving into the area include **KZN (47%), GP (35%), and is followed by rest of SA (10%)**.

URTC

- Those *showing interest in moving to URTC and Ridgeside include **Mt. Edgecombe, Phoenix and Verulam (33%), Greater Durban (19%), Inner West from Westville, Pinetown and Queensburgh (15%), and Umhlanga (11%)**
- Those **moving into the area include **KZN (70%), GP (12%), and the rest of SA (6%)**.

** These stats are based on recent Market Research surveys conducted by Rainmaker Marketing.*

*** These stats are based on recent sales transactions.*

Sibaya

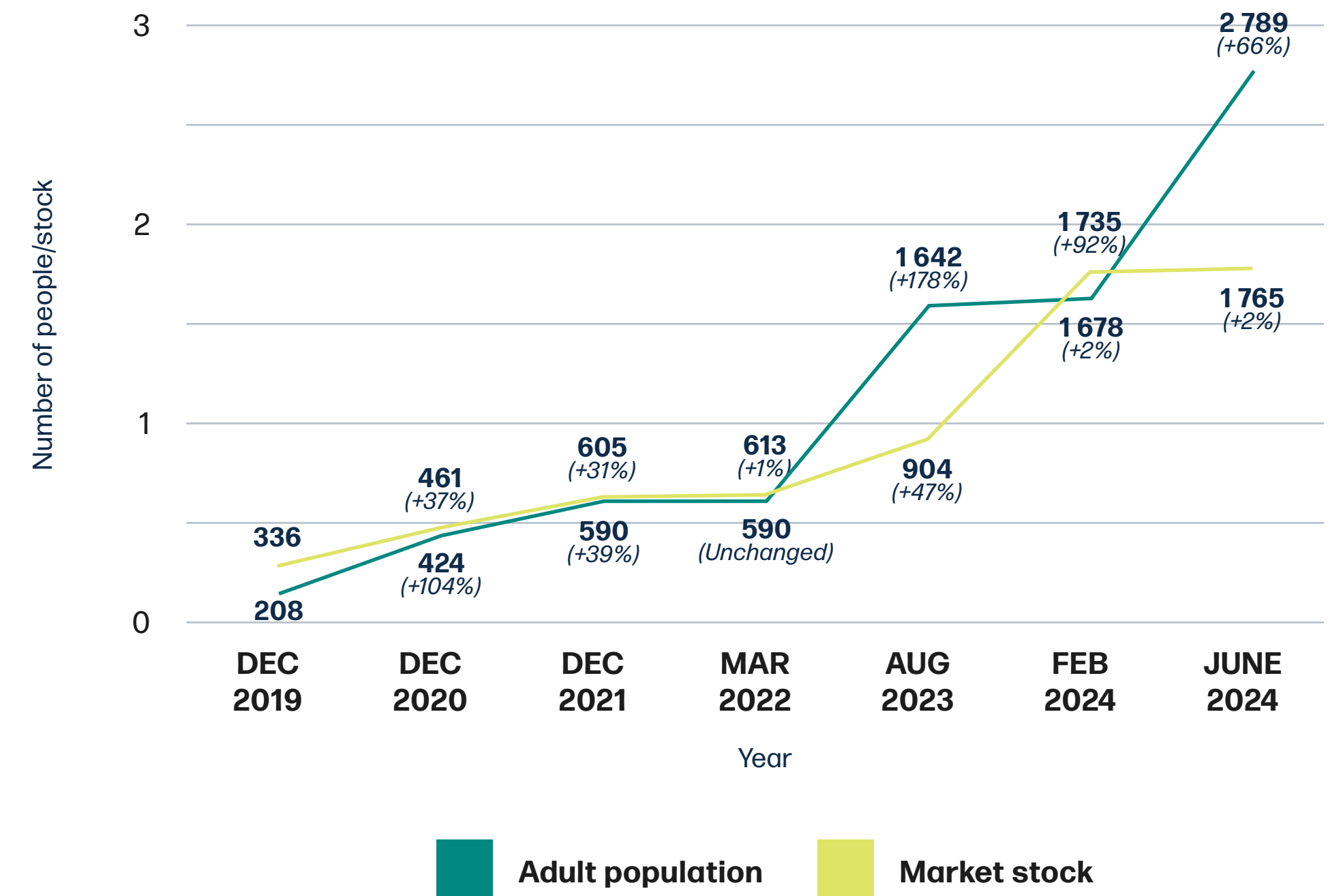
market stock

The **overall stock** within the Sibaya Coastal Precinct **increased by 192%**, from 605 (2021) **to 1 765 (2024)**.

- Currently, **69% are sectional title (ST)** stock and **31% are freehold home (FH)** stock
Of these, **55% are within estates**
- Since 2021, **ST stock** increased by **40%** (from 516 to 786)
Largely driven by sales in the following developments: **Balize Private Estate, Coral Point, OceanDune, Pebble Beach and Shoreline Sibaya**
- Since 2021, **ST stock in estates** have grown to constitute **24%** of the total stock (**0 to 418**)
Largely driven by sales in the following developments: **Capri Village and Salta Sibaya**
- Since 2021, **FH in estates** has grown to constitute **31%** of the total stock (**0 to 555**)
Largely driven by sales in the following developments: **Salta Sibaya and Gold Coast Estate**

Population growth vs market stock growth

- Since Dec 2019, the average y-o-y percentage increase in **adult population** has been +65%, with notable peaks of 1 642 in Aug 2023 and 2 789 in June 2024.
- Comparatively, the average y-o-y percentage growth in market stock amounts to a 35% rise
- This indicates that the **population is growing at a faster rate** compared to new properties being introduced into the market.



Greater Umhlanga *market stock*

Umhlanga Ridgeside:

- **Overall stock has increased by 57%**, from 212 (2021) to **333** (2024)
- Currently, **69% are ST stock** and 31% are FH homes
Of these, **41% are within an estate**
- Since 2021, **ST stock has increased by 98% (98 to 194)**
Largely driven by transactions in the following developments: **The Skye Ridgeside, Umhlanga Arch, Sanctuary Private Estate (Phase 1 - Tyne)**

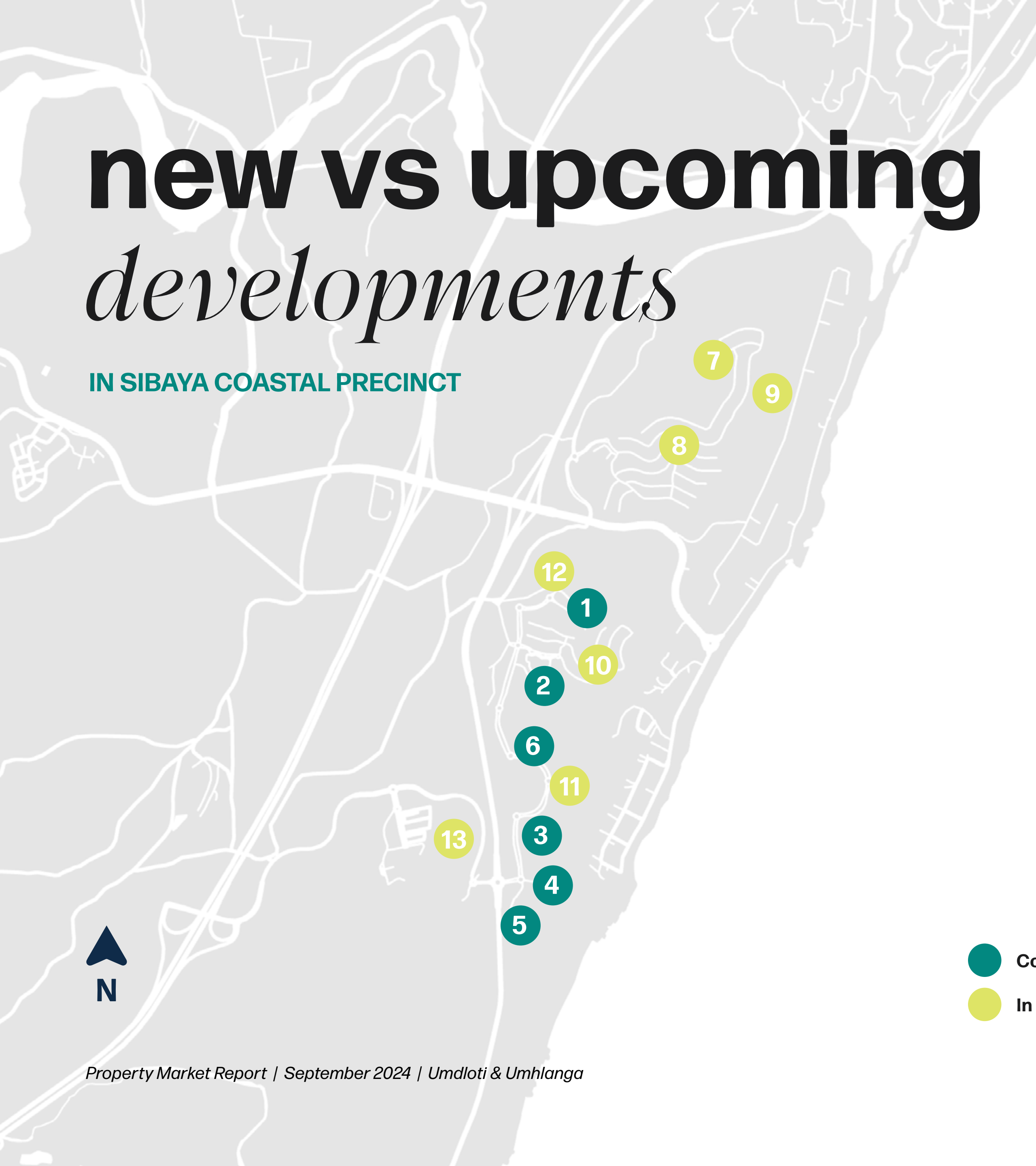
Umhlanga Ridge Town Centre:

- **Overall ST stock** has increased by **27%**, from 3 394 (2021) to **4 298** (2024)
Largely driven by transactions in the following developments: **The Millennial, Ridge Town Central, Summer Park, Summer Ridge, The Onyx**



new vs upcoming developments

IN SIBAYA COASTAL PRECINCT



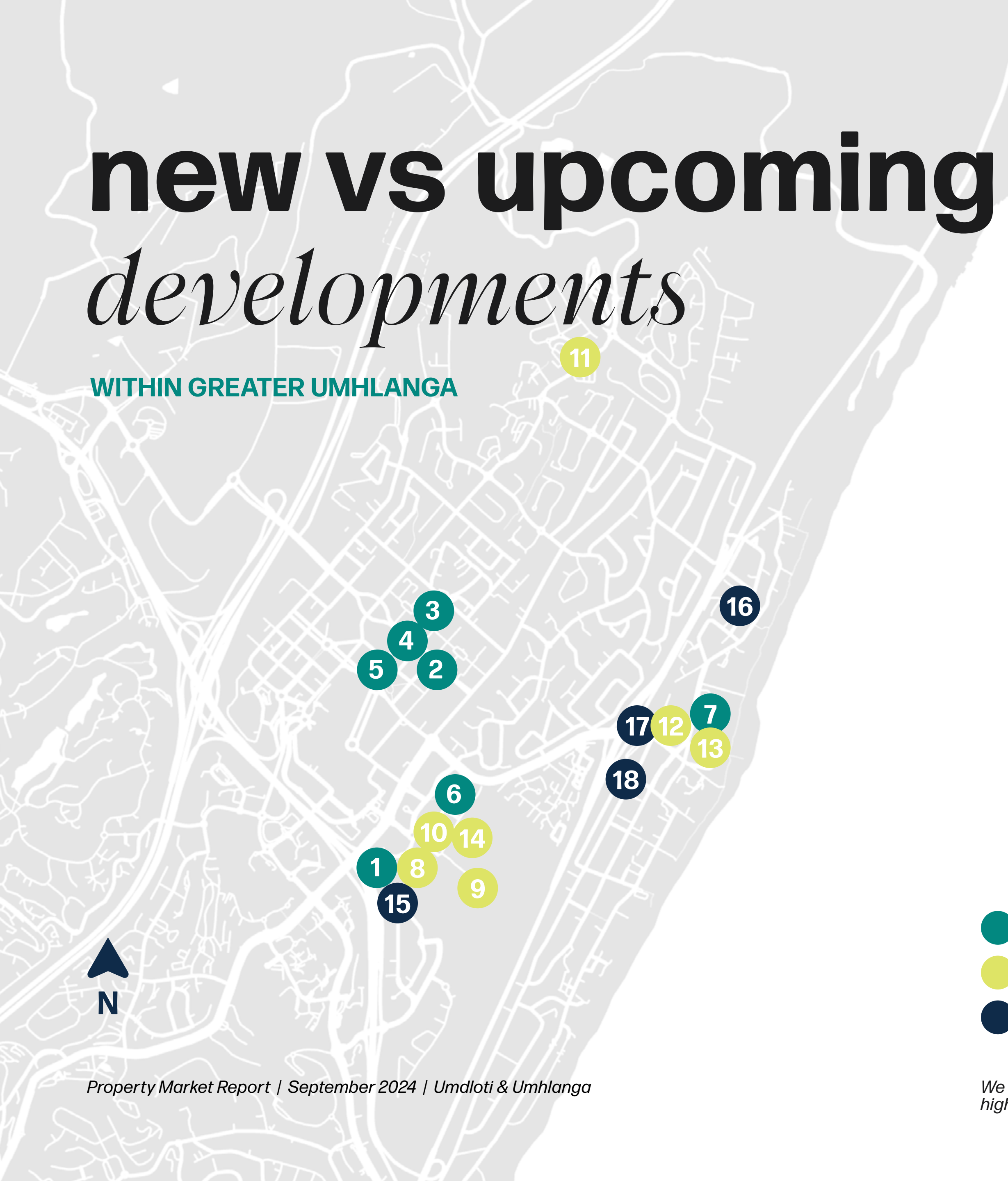
CURRENT DEVELOPMENTS

No	Development name	No. of units
1	Balize Private Estate	58
2	Parc (Gold Coast Estate)	42
3	Coral Point	152
4	OceanDune	260
5	Pebble Beach	157
6	Shoreline Sibaya	223

No	Development name	No. of units
7	Capri Village (Phase 1 & 2)	70
8	Salta Sibaya	289
9	Mt Cotton (Salta Sibaya)	89
10	Gold Coast Estate	156
11	Signature Sibaya	45
12	The Saxony Sibaya	348
13	Oasis Sibaya	100

new vs upcoming developments

WITHIN GREATER UMHLANGA



CURRENT DEVELOPMENTS

No	Development name	No. of units
1	<i>Tyne (Sanctuary Private Estate)</i>	36
2	<i>Onyx Umhlanga</i>	68
3	<i>Ridge Town Central</i>	263
4	<i>Summer Park & Summer Ridge</i>	304
5	<i>The Millennial</i>	249
6	<i>Umhlanga Arch</i>	192
7	<i>Pearls Of Umhlanga</i>	418

No	Development name	No. of units
8	<i>York (Sanctuary Private Estate)</i>	36
9	<i>Ridgeside Estate</i>	220
10	<i>Ridgeside Residence</i>	84
11	<i>Izinga Eco-Estate</i>	423
12	<i>Oceans Hotel Apartments</i>	92
13	<i>The Pearls of Umhlanga New Phase (Pearls Shore)</i>	66
14	<i>The Skye Ridgeside Apartments</i>	104

No	Development name	No. of units
15	<i>Sage & Hyde (Sanctuary Private Estate)</i>	70
16	<i>Solus Umhlanga</i>	69
17	<i>Oceans Residences</i>	95
18	<i>BlackBrick Umhlanga</i>	81

- Completed
- In progress
- Upcoming

sales performance

SECTIONAL TITLE AND FREEHOLD PROPERTIES

GREATER UMDLOTI

Sectional Title (ST)

Over the period July 2023 – June 2024, the average price of a ST unit was

R2.538M

(R21 451p/m²).

Predominant prices for ST sales are between

R1.5M – R3M

(70% of sales).

SIBAYA COASTAL PRECINCT

Sectional Title (ST)

Over the period July 2023 – June 2024, the average price of a ST in an estate was

R3.317M

(R22 451p/m²) - exceeding those out of an estate by 19%.

Predominant prices for all ST sales (in and out estate) are between

R3M – R5M

(70% of sales).

Freehold Homes (FH)

Over the period July 2023 – June 2024, the average price of a FH home in an estate was

R9.181M

Predominant prices were between

R6M – R13M

(100% of sales).



sales performance

SECTIONAL TITLE AND FREEHOLD PROPERTIES

UMHLANGA ROCKS

Sectional Title (ST)

Over the period July 2023 – June 2024, the average price of a ST was

R4.216M

(R40 823p/m²).

Predominant prices for ST are between

R3M – R6M

(54% of sales).

Freehold Homes (FH)

Over the period July 2023 – June 2024, the average price of a FH was

R5.869M

Predominant prices were between

R3M – R7M

(88% of sales).

UMHLANGA RIDGESIDE

Sectional Title (ST)

Over the period July 2023 – June 2024, the average price of a ST unit (in estate and out estate) was

R2.929M

(R39 742p/m²).

Predominant price for ST unit (in estate and out estate) were between

R1.8M – R3.5M

(62% of sales).

URTC

Sectional Title (ST)

Over the period July 2023 – June 2024, the average price of ST unit was

R1.309M

(R22 547p/m²).

Predominant prices were between

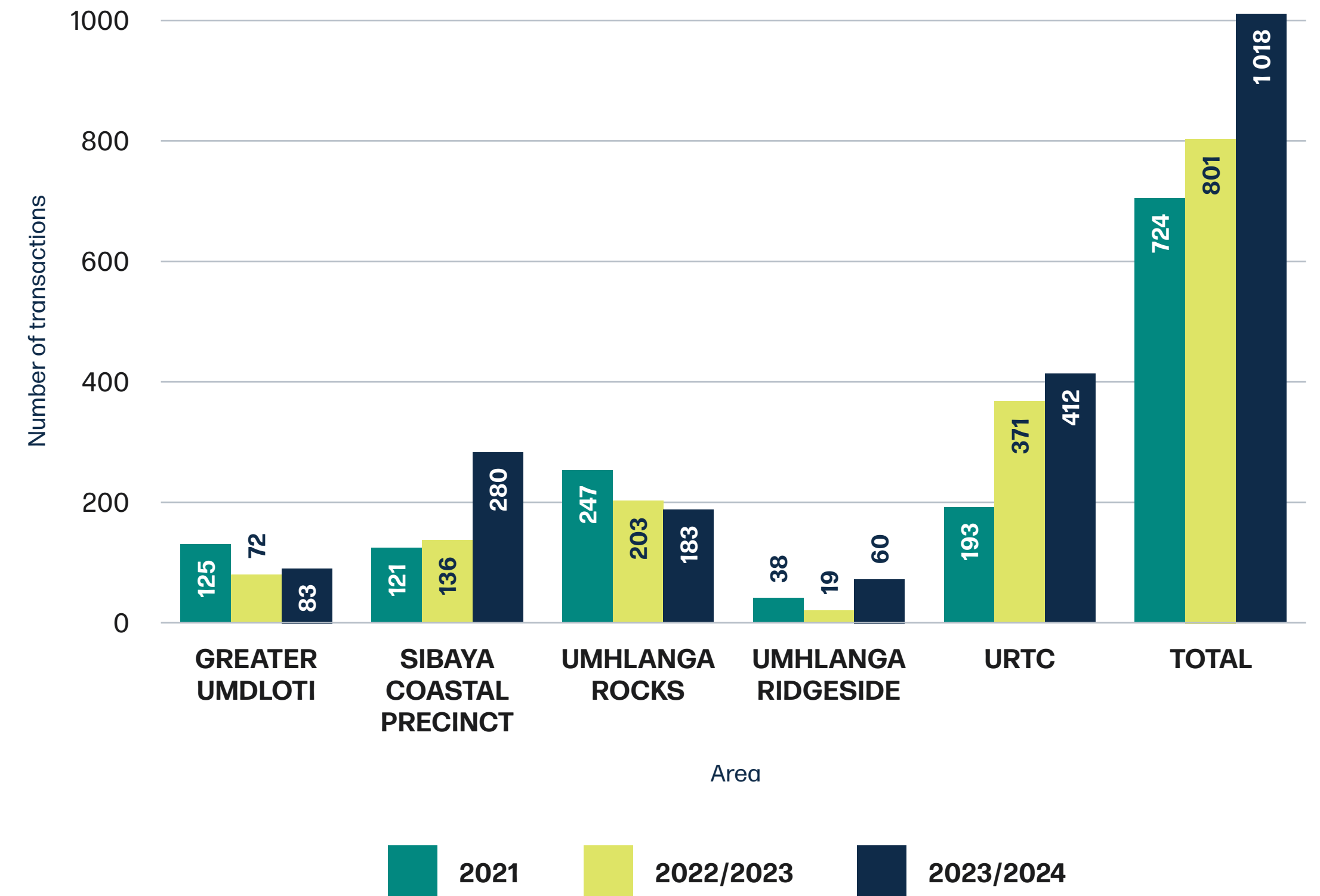
R800 000 – R1.5M

(62% of sales).

year-on-year *sales performance*

Sibaya Coastal Precinct and URTC have both achieved a consistent increase in total volume of sales over the 3-year period, between January 2021 – June 2024.

**TOTAL VOLUME OF ALL PROPERTY TRANSACTIONS
(INCL. SECTIONAL TITLE, FREEHOLD HOMES & VACANT LAND)**



property transactions

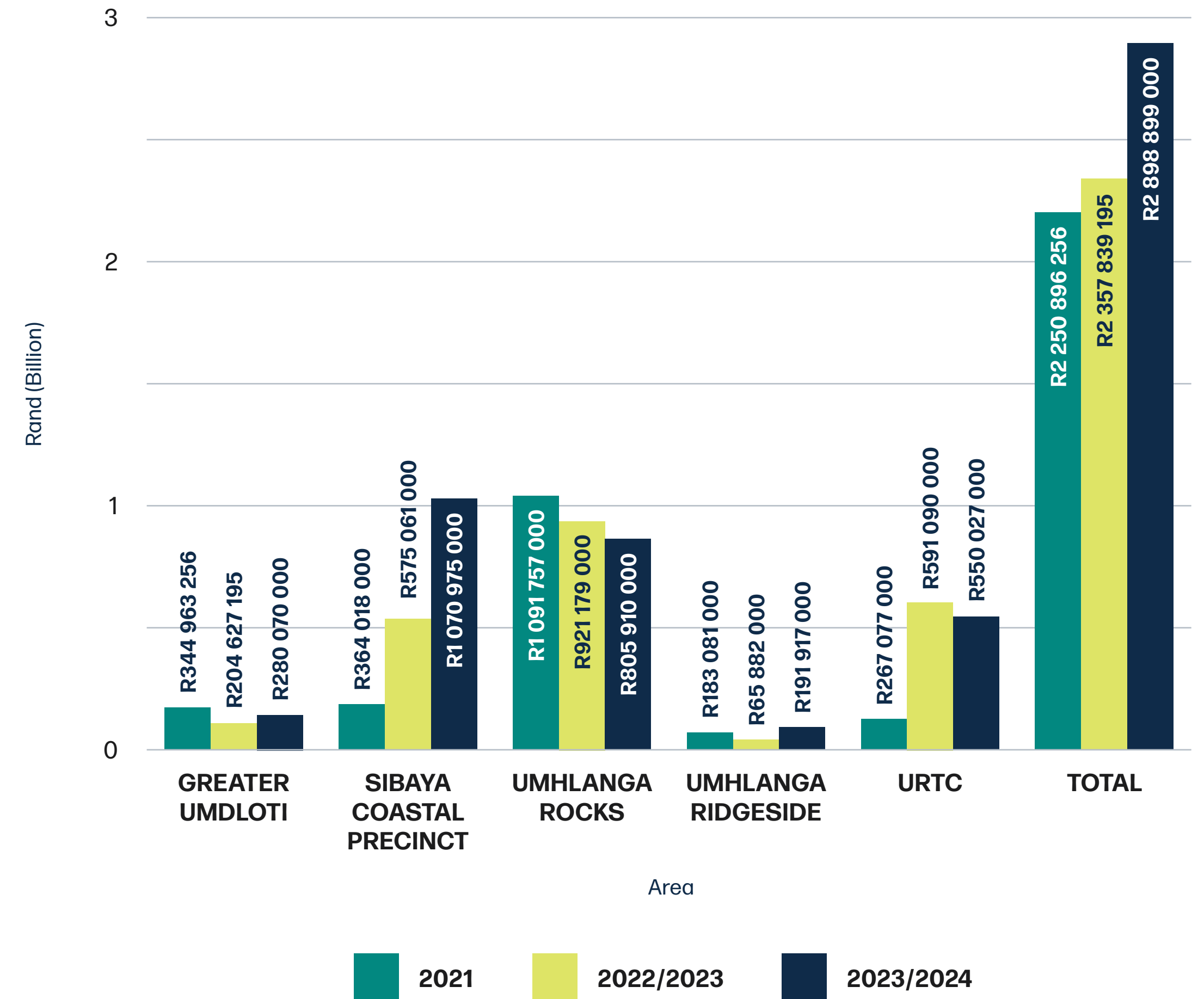
The Sibaya Coastal Precinct has achieved a consistent increase in total volume and value of sales over the 3-year period. For the period July 2023 – June 2024, the Sibaya Coastal Precinct has achieved the highest total sales value of R1.071Bn.

Sibaya alone has generated

52% % %

of total new build sales and job creation in the greater area.

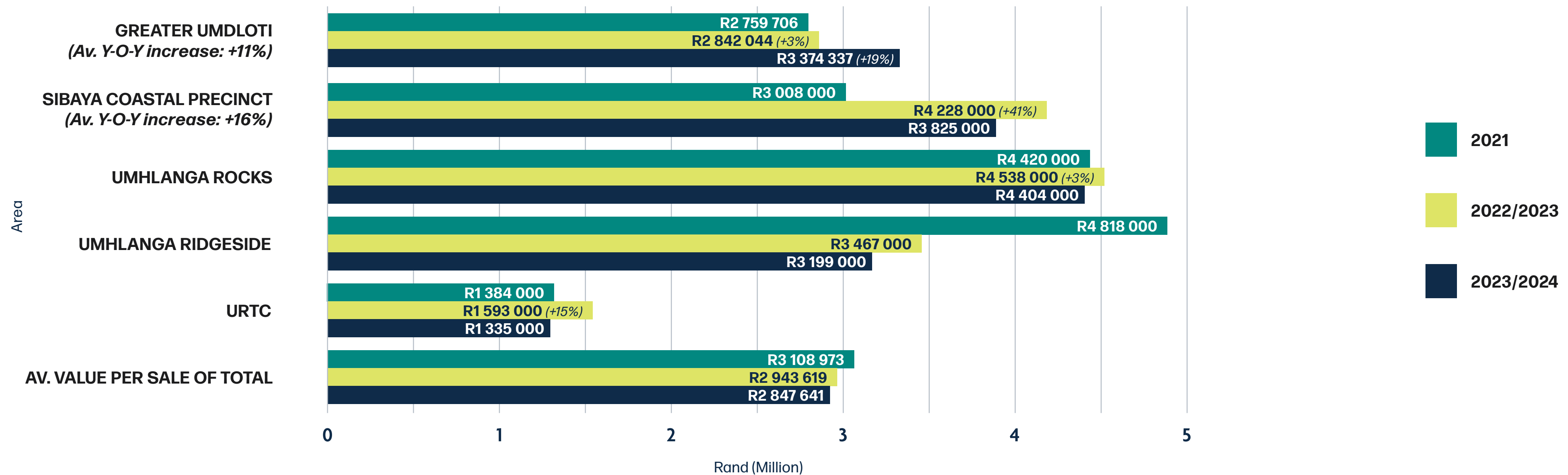
TOTAL VALUE OF ALL PROPERTY TRANSACTIONS
(INCL. SECTIONAL TITLE, FREEHOLD HOMES & VACANT LAND)



average *value per sale*

Across the selected areas there was a nominal decline of **8.4%** in the average value of sale over a two year period. The highest percentage increase was **Greater Umdloti at +22%** over the two year period.

**AVERAGE RAND VALUE PER SALE FOR ALL PROPERTY TRANSACTIONS
(INCL. SECTIONAL TITLE, FREEHOLD HOMES & VACANT LAND)**

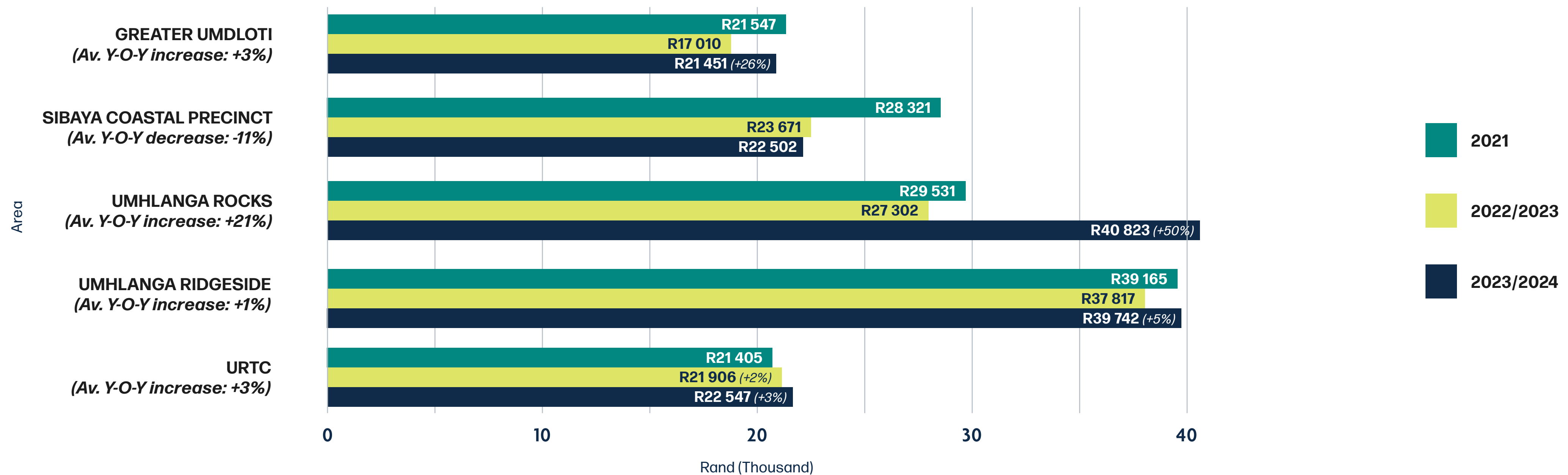


sectional title

price per square meter

This analysis illustrates the sectional title price per square metre across the greater area. **Majority of the suburbs have experienced y-o-y growth, with Umhlanga Rocks peaking at +50%.**

AVERAGE SECTIONAL TITLE PRICE P/M² ACROSS THE GREATER AREA

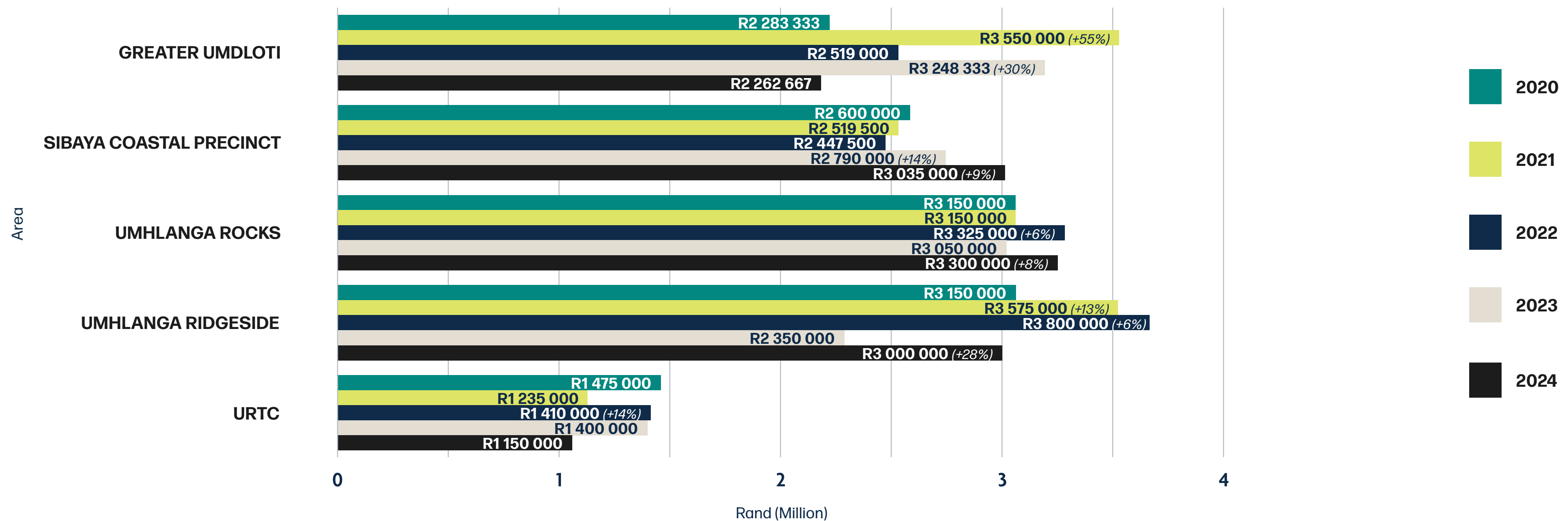


sectional title

capital appreciation

SINCE 2020:

- Greater Umdloti achieved a **capital appreciation of +26% (7% p/a)**
- As a newly developed suburb, the **Sibaya Coastal Precinct** achieved a **capital appreciation of +17% (4% p/a)**
- **Umhlanga Rocks** achieved a **capital appreciation of +9% (2.25% p/a)**
- As a newly developed suburb, **Umhlanga Ridgeside** achieved a **capital appreciation of +6% (1.5% p/a)**





investment

North of Durban

FACTORS THAT WE BELIEVE WILL SUSTAIN INVESTMENT WITHIN THE REGION:

- ***Securely managed precincts will play a pivotal role in helping private and public sectors to work efficiently to offer proactive security and area maintenance***
- ***National road upgrades are under construction and will ensure that business and transport sectors thrive and have seamless access into these economic regions***
- ***Attractive residential and commercial properties that will grow international investment and help bolster local employment***
- ***Considering the trends we are seeing across the country, green building and utilising eco-friendly solutions will play a greater part in taking these regions to a new level of sustainable living***

key highlights from the report



KSIA:

Between 2021/2022 and 2023/2024 in international travel was bolstered with a **356% increase** international arrivals from 60 273 – 274 882



BUILDING PLANS ACTIVITY:

Building plans passed increased by **20%%%** from 12 months prior



POPULATION GROWTH:

Sibaya Coastal Precinct: **71 Adults P/M**



URTC: **42 Adults P/M**

SALES PERFORMANCE:

Sibaya

- Predominant prices for all ST sales between R3M – R5M
- Average price of a ST in an estate exceeded those out of **an estate by 19%**



Umhlanga Ridgeside

- Predominant prices for all ST sales are between **R1,8M- R3,5M (62% of sales)**

URTC

- Predominant prices for all ST sales are between **R800k – R1,5m (62% of sales)**

PROPERTY TRANSACTIONS:

Sibaya achieved the highest total sales value of **R1.071Bn** closely followed by Umhlanga Rocks with **R806M** (July 2023 - June 2024)



our predictions *for the year ahead*

1 Interest rate decline:

It is hoped that we will see our first interest rate cut in almost 3 years at the end of September, based on current inflation targets. This would signal the end of the interest rate peak and there is little doubt that this will increase investor confidence and stimulate momentum within the property market. It is reasonably expected that we will expect to see further interest rate cuts thereafter.

2 Water supply as a priority:

With the relaxation of load shedding, it has further highlighted the underpinning need for renewable water as a priority. This has now become a key driver of purchases for both the end-user and investors. Developments who make provision for this, can anticipate property values to increase at a greater rate compared to those who do not.

3 Government of National Unity (GNU):

Based on the uncertainty within KZN prior to elections, the formation of the GNU has proven to have an increasingly positive impact on the property market in KZN.

We have already seen a sharp increase in business and investor confidence with more optimism in the financial markets, lower bond yields, stronger equity, a stronger rand and a decrease in petrol prices.

4 Lifestyle estates booming, multi-generational living a big drawcard:

The performance achieved within secure estate environments like Salta Sibaya underlines the massive demand for secure, and privately managed, multi-generational living which we expect to see grow exponentially. This bodes well for managed precincts such as Ridgeside, URTC and Sibaya Coastal Precinct.

As depicted within the report, there is a predominance of recent buyers between the ages of 36-49 years. There is still a significant share of all other ages, supporting the fact that security and inclusivity is key for families.

5 Catalytic projects:

The **Durban Aerotropolis** will continue to be a key driver of long-term growth for eThekweni. The remarkable 356% increase in international arrivals underscores the region's growing global connectivity.

This growth is bolstered by significant investments like Ogihara South Africa's R1.2 billion body part manufacturing plant at the Dube Tradeport.

Furthermore, the R6 billion Brickworks Logistics Park by Investec represents a major contribution to eThekweni's economic landscape. The project, which includes a recent lease agreement with Takealot (43,000m² upfront, with an additional 20,000m² reserved for future expansion), is expected to enhance the region's logistics capabilities and infrastructure.

6 Location demand:

The 19% and 14% increases in sales volume and sales value, respectively, across Umhlanga and the Sibaya Coastal Precinct over the past few years signify that, despite external economic and political factors, the demand for strategically positioned property investments in KZN will remain strong.





thank you

The statistics used were largely sourced from Lightstone data, with the interpretation and analysis carried out by the market research division of Rainmaker Marketing.

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